

GOVERNMENT OF ANDHRA PRADESH
ABSTRACT

Public Servants - Dr R.Amarendra Kumar, formerly Managing Director, Andhra Pradesh Kapu Welfare & Development Corporation, A.P., Vijayawada- Initiation of departmental proceedings under rule- 20 of A.P.C.S. (CC&A) Rules, 1991 - Articles of charge framed - Statement of defence called for - Orders - Issued.

BACKWARD CLASSES WELFARE(D) DEPARTMENT

G.O.RT.No.124

Dated:26-07-2018

ORDER :-

It is proposed to hold an enquiry against Dr R.Amarendra Kumar, formerly Managing Director, Andhra Pradesh Kapu Welfare & Development Corporation, A.P., Vijayawada. in accordance with procedure laid down in Rule- 20 of the Andhra Pradesh Civil Services (Classification, Control and Appeal) Rules, 1991.

2. The substance of the imputations of misconduct or misbehaviour in respect of which the enquiry is proposed to be held is set out in the enclosed statement of Article of Charges as Annexure-I, Statement of imputation of misconduct or misbehaviour on which action is proposed to be taken against him as Annexure-II, a list of documents by which and a list of witnesses by whom the Article of Charge is proposed to be sustained are also enclosed as Annexure-III and IV.

3. Dr R.Amarendra Kumar, formerly Managing Director, Andhra Pradesh Kapu Welfare & Development Corporation, A.P., Vijayawada is directed to submit a written statement of defence within 15 days from the date of receipt of this G.O. and also to state whether he desires to be heard in person.

4. Dr R.Amarendra Kumar, formerly Managing Director, Andhra Pradesh Kapu Welfare & Development Corporation, A.P., Vijayawada is further informed that an Inquiry will be held only in respect of those article of charges as are not admitted. He should therefore, specifically admit or deny the article of charge.

5. Dr R.Amarendra Kumar, formerly Managing Director, Andhra Pradesh Kapu Welfare & Development Corporation, A.P., Vijayawada is further informed that if he does not submit his written statement of defence on or before the date specified in para-3 above, further action will be processed based on the material available.

6. Attention of Dr R.Amarendra Kumar, formerly Managing Director, Andhra Pradesh Kapu Welfare & Development Corporation, A.P., Vijayawada is invited to rule 24 of the Andhra Pradesh Civil Services (Conduct) Rules, 1964, under which no Government servant shall bring any political or outside influence to bear upon any superior authority to further his interest in respect of matters pertaining to him under the Government. If any representation is received on his behalf from another person

in respect of any matter dealt with in these proceedings it will be presumed that Sri R.Amarendra Kumar, formerly Managing Director, Andhra Pradesh Kapu Welfare & Development Corporation, A.P., Vijayawada is aware of such a representation and that it has been made at his instance and action will be taken against him for violation of rule - 24 of the A. P. Civil Service (Conduct) Rules, 1964.

7. The receipt of this G.O. shall be acknowledged.

(BY ORDER AND IN THE NAME OF THE GOVERNOR OF ANDHRA PRADESH)

B.UDAYA LAKSHMI
PRINCIPAL SECRETARY TO GOVERNMENT

To

Dr R.Amarendra Kumar, formerly Managing Director, Andhra Pradesh Kapu Welfare & Development Corporation, A.P., Vijayawada through the Principal Secretary to Govt through the Animal Husbandry, Dairy Development & Fisheries Department with a request to serve a copy of the G.O and furnish a dated acknowledgement
Copy to:

The Animal Husbandry, Dairy Development & Fisheries Department
with a request to serve the order on the charged officer and
return the served copy with dated ack.,

The Managing Director, Andhra Pradesh Kapu Welfare &
Development Corporation, A.P., Vijayawada.
SC/Sf.

//FORWARDED BY ORDER//

M. Kamal Raj
SECTION OFFICER

ANNEXURE-I

STATEMENT OF ARTICLES OF CHARGES FRAMED AGAINST Dr R.AMARENDRA KUMAR, FORMERLY MANAGING DIRECTOR, ANDHRA PRADESH KAPU WELFARE & DEVELOPMENT CORPORATION, A.P., VIJAYWADA

&&&

That Dr R.Amarendra Kumar, worked as Managing Director, Andhra Pradesh Kapu Welfare & Development Corporation during the period from 18-03-2016 to 16-10-2017. During that period, he has committed grave irregularities in as much as indicated below:

Charge-I: That he is responsible for causing loss to Government Exchequer by incurring an extra expenditure to a tune of Rs.17.83 lakhs, by paying a coaching fee Rs. 1.96 lakh each against the approved fee of Rs.1.50 lakh per student thus causing an extra financial burden/loss of Rs.17,83,250/- (Rupees Seventeen Lakh Eighty Three Thousand Two Hundred and Fifty) under Vidyonnati Scheme. The extra financial burden could have been avoided had the corporation has entrusted the students to the coaching centres which were empanelled with coaching fee of up to Rs.1.50 Lakh per candidate. But, Mr.Amarendra Kumar as VC & MD has entrusted the students to Vajiram & Ravi IAS Study Centre, New Delhi and Alternative Learning Systems Ltd Delhi with an ulterior motive, thus committed fraud for personal gains by misusing his official position.

Charge :II: That he is responsible for causing loss to Government to a tune of Rs.18.00 lakhs – under Civil Services Coaching Programme by paying to some of the candidates who have withdrawn by themselves from appearing to the coaching. The A.G audit also observed that 12 candidates were withdrawn by themselves during December 2016 itself without completing the coaching but the stipend of Rs.10,30,000/- was drawn and paid by Mr.Amarendra Kumar both to the candidates and also to the coaching institutes which resulted in a loss of Rs.18.00 lakhs to the corporation, hence the charge.

Charge – III: That he is responsible for incurring wasteful expenditure to a tune of Rs.20,19,240/- as follows:

The Corporation has planned to conduct Baliya Avagahana Sadassu in Kadapa District on 12.11.2016. The work of supplying posters, stickers, leaflets, T-shirts and audio songs was entrusted to M/s Focus Media Creation, Vijayawada. However, due to some unavoidable reasons the events could not be organized. But, M/s Media Creation has raised a bill for 22, 31,500/- against which the Corporation has paid **Rs.20,19,240/- in the month of May 2017.**

For this, there is no approval from Government and sanction of budget, but the money was incurred by the M.D from corporation funds on his own without permission, hence the charge.

Charge – IV : That he is responsible for engaging the services of 14 extra employees without obtaining the approval of the Board of Directors of the Corporation.

The Board has authorised the Managing Director to employ only 6 outsourcing employees consisting of 2 Managers, 1 Senior Assistant and 2 office Subordinate with a monthly remuneration of Rs.40,000, Rs.20,000 and 6700/- each respectively. But the VC&MD has appointed 20 employees on outsourcing basis with different designations, thus he is responsible for engaging 14 extra employees from the contractor contrary to the Board's resolution, hence the charge.

Charge No.V:

That he is responsible for release of huge advances to a tune of Rs.56.25 lakhs to the Executive Directors, and the said amount was not adjusted till September, 2017 which is in violation of the Financial Procedure.

Charge No.VI

That he is responsible for execution of works worth of Rs.35.78 lakhs towards interior works in the O/o Kapu Corporation without obtaining prior permission of the Government and also without calling for tenders, which is in violation of the established Procedures.

Charge No.VII

That he failed to verify whether the Coaching centres have actually remitted the Service tax to the concerned Authorities or not before making payment of subsequent instalments/monthly fees.

Charge No.VIII

That he is responsible for releasing an amount of Rs.73.83 lakhs y under Skill Development Scheme although placement was not provided to the training candidates as per the agreement entered into with the concerned Training Institutes.

Charge No.IX

That he has failed to obtain Challan for tax payment of Rs.4.30 lakhs after the payment made to M/s Mann Decorators through Project Director, Krishna District and Rs.6.26 lakhs from M/s Amaravathi Manpower Solutions.

Charge No.X

That he has not followed quotation/bid system for arranging caterers during the conduct of Kapu Mega Job Mela conducted at Nova College of Engineering and Technology, Ibrahimpatnam, Krishna District.

By his above mentioned acts of commission and omission, the charged officer has failed to maintain absolute integrity, devotion to duty, and exhibited conduct unbecoming of a Government Servant and thereby contravened Rule 3 (1) & (2), of Andhra Pradesh Civil Services (Conduct) Rules, 1964 and thus rendered himself liable for disciplinary action.

B. UDAYA LAKSHMI
PRINCIPAL SECRETARY TO GOVERNMENT

//ATTESTED//


SECTION OFFICER

ANNEXURE-II

STATEMENT OF IMPUTATIONS OF MISCONDUCT AND MISBEHAVIOUR INSUPPORT OF THE ARTICLES OF CHARGES FRAMED AGAINST Dr. R.AMARENDRA KUMAR, FORMERLY VICE-CHAIRMAN & MANAGING DIRECTOR, ANDHRA PRADESH KAPU WELFARE AND DEVELOPMENT CORPORATION, A.P.VIJAYAWADA.

Dr R.Amarendra Kumar worked as VC&MD Kapu Welfare and Development Corporation AP. Vijayawada during the period from 18-03-2016 to 16-10-2017. During that period, he has committed several grave financial irregularities in implementation of various schemes intended for the benefit of the poor Kapu beneficiaries and involved in misappropriation of Corporation funds.

In Respect of Charge No.I

The Kapu Welfare and Development Corporation has introduced a scheme for the benefit of poor Kapu community students to impart coaching to the BC students for the Civil Services prelim / main examination through a 9 months course. The target is 500 students with an approved fee of Rs.1.50 Lakh to each student for the year 2016- 2017 Civil Services Exam. The coaching was entrusted to the 11 coaching centres including 5 coaching institutes empanelled by the Social Welfare Dept.

2. The VC&MD, Andhra Pradesh Kapu Welfare and Development Corporation Limited (charged officer) has paid coaching fee of Rs. 1.96 lakh each as against the approved fee of Rs.1.50 lakh per student thus causing an extra financial burden/loss to Government to a tune of Rs.17,83,250/-(Rupees Seventeen Lakh Eighty Three Thousand Two Hundred and Fifty) only. The extra financial burden could have been avoided had the corporation ~~has~~ entrusted the students to the coaching centres which were empanelled on a coaching fee of up to Rs.1.50 Lakh per candidate. Thus the charged officer has entrusted the students to Vajiram & Ravi IAS Study Centre, New Delhi and Alternative Learning Systems Ltd Delhi with an ulterior motive, and thus committed fraud for personal gains by misusing his official position.

3. It is observed that as per the operational guidelines, the maximum coaching fee for Civil Service Exams is Rs. 1.50 lakh per candidate whereas the corporation allowed **Rs.1.96 lakh and Rs. 1.53 lakh per candidate to Vajiram& Ravi IAS Study Centre, Delhi and Alternative Learning Systems Ltd. Delhi respectively.** As a result, the Corporation incurred an extra expenditure of Rs. 17.83 lakhs **(Rs.17.83 lakh)** as detailed below:

Name of the Coaching Centre	No. of Students sponsored	Coaching fee as per operational guidelines	Coaching fee paid /payable as per agreement	Difference per candidate	Total difference
(1)	(2)	(3)	(4)	(5)	(6)
Vajiram & Ravi IAS Study Centre, Delhi	77	1,50,000	1,96,000	46,000	35,42,000
Alternative Learning Systems Ltd., Delhi	7	1,50,000	1,53,500	3500	24,500
					35,66,500
PAID 50%					17,83,250

4. The extra expenditure could have been avoided if the VC & M.D, Andhra Pradesh Kapu Welfare & Development Corporation (charged officer) followed the rules of payment

of coaching fee up to Rs.1.50 lakh or sponsored the candidates to the coaching institutes which were empanelled with coaching fee up to Rs.1.50 Lakh per Candidate.

5. By his above mentioned acts, the charged officer has failed to maintain absolute integrity, devotion to duty and exhibited conduct unbecoming of a public servant contravening rule 3(1) and (2) of Andhra Pradesh Civil Services(Conduct) Rules, 1964. The Charged Officer by his above actions rendered himself liable for disciplinary action. Hence the Charge.

In respect of Charge No.II

Under the scheme, a financial assistance shall be granted to the selected applicants, through the prescribed process, for obtaining coaching for UPSC Civil Services Examinations, competitive examination conducted for selection of candidates for positions like probationary officers, bank clerks, regional rural bank exams, Staff Selection Commissioner Officer etc.,

2. As per the State Government approved operational guidelines (vide G.O.Ms.No.16 dated 17.05.2016) the Corporation had a target of 500 beneficiaries to be imparted Prelims and Mains integrated coaching for 9 months duration with coaching fees up to Rs. 1.50 lakh per student for the financial year 2016-17.

3. The Vice-Chairman & Managing Director, Andhra Pradesh kapu Welfare & Development Corporation, A.P., Vijayawada (charged officer) has sponsored 500 candidates but out of 500 students only 488 candidates had completed the course. The following are the Details of the 12 candidates who have received stipend @ Rs. 10,000/- p.m for nine months but have not completed the training course. They are:-

S.No	Name of candidate	Institute Name	Stipend released(Rs.)	50% gross coaching fee (Rs.) released
1	Pothula Sudharani	Analog IAS Institute, Hyderabad	90000	71000
2	KummaripuruguVenkateswaraRao	Dr.Laxmaiah IAS Study Circle, Hyderabad	90000	55000
3	Madisetty Jagadish	La Excellence IAS Hyderabad	90000	62500
4	RudraSatya Siva Sai Kumar	La Excellence IAS Hyderabad	90000	62500
5	KoonisettiPremaVighneswara Rao	La Excellence IAS Hyderabad	90000	62500
6	Kotipalli JRSS SaiManikanta	RC Reddy IAS Study Circle , Hyderabad	90000	50000
7	S Ravi Teja	RC Reddy IAS Study Circle, Hyderabad	60000	50000
8	Pallapolu HimaBindu	RC Reddy IAS Study Circle, Hyderabad	90000	50000
9	AddlaHarshavardhan	RC Reddy IAS Study Circle, Hyderabad	90000	50000

10	PuliVarshith	Vajiram and Ravi IAS Study Circle Delhi	70000	98000
11	BungaMadhsudan	Vajiram and Ravi IAS Study Circle Delhi	90000	98000
12	Yelisetti SP Venkata Manikanta	Varsity Education Management Pvt. Ltd	90000	50000
	Total		1030000	759500

4. In this connection, in the audit reports it is observed that the above 12 candidates had withdrawn from the training course by themselves during December 2016 without completing the coaching but the stipend of Rs.10,30,000/- was drawn and paid by the VC & M.D, Andhra Pradesh Kapu Welfare & Development Corporation both to the candidates and also to the coaching institutes which resulted in a loss of Rs.18.00 lakhs to the corporation/Government exchequer.

5. By his above mentioned acts, the charged officer has failed to maintain absolute integrity, devotion to duty and exhibited conduct unbecoming of a public servant contravening rule 3(1) and (2) of Andhra Pradesh Civil Services(Conduct) Rules, 1964. The Charged Officer by his above actions rendered himself liable for disciplinary action. Hence the Charge.

In respect of Charge No.III

The Corporation has planned to conduct Baliya Avagahana Sadassu in Kadapa District on 12.11.2016. The work of supplying posters, stickers, leaf lets, T-shirts and audio songs was entrusted to M/s Focus Media Creation, Vijayawada. However, due to some unavoidable circumstances the events could not be organized. But, M/s Media Creation has raised a bill for 22, 31,500/- against which the Corporation has paid **Rs.20,19,240/- in the month of May 2017.**

2. For making this payment, no approval was obtained from Government and there was no sanction of budget. But the expenditure was incurred by the VC&M.D, (Charged Officer) from the corporation funds, on his own, without any permission.

3. This amount of **Rs.20,19,240/-** needs to be recovered as it was paid to M/s Focus Media Creation, Vijayawada without holding the SADASSU.

4. The Board has authorised the Managing Director to engage the services of only 6 outsourcing employees consisting of 2 Managers,1 Senior Assistant and 2 office Subordinate with a monthly remuneration of Rs. 40,000, Rs.20,000 and 6700/- each respectively. But the VC&MD (charged officer) has appointed 20 employees on outsourcing basis with different designations, thus he is responsible for engaging 14 extra employees from the contractor, contrary to the Board's resolution.

5. It is observed that

1. The contract was awarded for engaging 6 outsourced employees but actually the VC&MD engaged **20** outsourced employee **of different designations**. In the agreement there **is no clause for engaging additional manpower and contrary to this, the Corporation had engaged extra man power of 14 persons from the contractor which is contrary to the agreement.**
2. As per policy of the Corporation, monthly medical allowance will be paid to the person taken on deputation from Government Departments. However, here the employees are engaged through outsourcing agency/ on contract basis and Medical Allowance was paid to General Manager, Manager and Assistant Manager Rs. 3000/- pm, Rs. 2000 pm and Rs. 1000/- pm respectively. Thus total medical allowance paid to contract employees from July 2016 to August 2017 was Rs. **2,00,391/-**. Since the employees are working on contact/outsourced basis payment of medical allowance is contrary to the policy. Further there is no clause in the agreement to pay any medical allowance

to outsourced /contract employees. The VC&M.D himself has drawn Rs.5000/- per month without Govt. approval and at this rate a total amount of **Rs.70,000** were drawn by Mr.R.Amarendra Kumar, VC&M.D which is contrary to the Govt. rules. Not only that a total amount of **Rs.84, 000/-** was paid to all outsourcing employees as medical allowance, though there is no such provision in the contract made with the agency. The entire amount needs to be recovered from the concerned.

5. Further, the VC&MD, Kapu Corporation has paid a monthly medical allowance Rs.3000/- to General Manager, Rs.2000/- to the Manager and Rs.1000/- to the Assistant Manager. Thus he paid **Rs.2,00,391/-** (Rupees Two Lakh Three Hundred and Ninety One) against the rules. As per the rules monthly medical allowance will be paid to the persons taken on deputation from Government departments only. Thus the MD had engaged extra 14 employees with malafide intention causing unnecessary financial burden on the Exchequer by unauthorisedly releasing the money.

6. By his above mentioned acts, the Charged Officer (former VC&MD., Andhra Pradesh Kapu Welfare & Development Corporation) has failed to maintain absolute integrity, devotion to duty and exhibited conduct unbecoming of a public servant contravening rule 3(1) and (2) of Andhra Pradesh Civil Services(Conduct) Rules, 1964. The Charged Officer by his above actions rendered himself liable for disciplinary action. Hence the Charge.

In respect of Charge No.IV

The Audit also observed that Dr.R.Amarendra Kumar, the charged officer has released huge advances to the tune of Rs.56.25 lakhs to the Executive Directors, which was not adjusted till September, 2017 and this could have been avoided if the former M.D has followed the Financial procedure properly.

2. By his above mentioned acts, he has failed to maintain absolute integrity, devotion to duty and exhibited conduct unbecoming of a public servant contravening rule 3(1) and (2) of Andhra Pradesh Civil Services(Conduct) Rules, 1964. The Charged Officer by his above actions rendered himself liable for disciplinary action. Hence the Charge.

In respect of Charge No.V

The audit observed that there is delay in submission of adjustment of bills by Executive Directors against advances drawn.

2. The Audit also observed that Dr.R. Amarendra Kumar has released huge advances (Rs.56.25 lakhs) to the E.Ds which was not adjusted till September, 2017 which could have been avoided if the former M.D has followed the Financial procedure properly.

3. By his above mentioned acts, he has failed to maintain absolute integrity, devotion to duty and exhibited conduct unbecoming of a public servant contravening rule 3(1) and (2) of Andhra Pradesh Civil Services (Conduct) Rules, 1964.

In respect of Charge No.VI

The Charged Officer (former VC&MD., Andhra Pradesh Kapu Welfare & Development Corporation) has carried out interiors worth Rs.35.78 lakhs without prior permission of the Govt and without calling for tenders and that too for a private residence for which an agreement of lease was entered into for two years. The Charged Officer has failed to follow the financial propriety and the corporation money was spent on his own whims and fancies without proper budget to that, and without following rules his explanation needs to be called on this for spending such a huge amount to a private premises without following rules. The Audit party has also raised an objection on it.

2. By his above mentioned acts, the charged Officer has failed to maintain absolute integrity, devotion to duty and exhibited conduct unbecoming of a public servant contravening rule 3(1) and (2) of Andhra Pradesh Civil Services(Conduct) Rules, 1964. The Charged Officer by his above actions rendered himself liable for disciplinary action. Hence the Charge.

In respect of Charge No.VII

A test check of payment made to various coaching institutes and others etc., during 2015-16 to 2016-17 revealed that the corporation made payments including service tax on coaching fee etc. Some of the bills paid, which include service tax, are shown in the below table.

S.No	Voucher No.Date	Name of the payee	Total Amount paid in Rs.	Service Tax included in Rs.
1	21.09.17	T.Subbarao Company Secretary	80,250	12,750
2	03.04.17	Brain Tree, Hyd	33,14,348	4,73,479
3	350759/12.06.17	Analog Training Institute	70,40,000	9,18,291
4	350665/17.05.17	Lakshmaiah IAS Study circle	46,40,000	6,05,217
5	459/08.08.17	RC Reddy IAS Institute	98,60,758	13,89,375
Total				33,99,112

2. From the above it may be seen that an amount of **Rs.33.99 Lakh was paid to the Advisor and Coaching institutes towards service tax and cess** etc. However, the corporation did not have the details of **Service Tax actually remitted by the payees to the tax authorities.**

3. In this connection Audit observed that as taxes paid by the corporation were not the source of income for payee, the corporation has to ascertain whether the payees i.e., **coaching centre etc., have actually remitted the service tax to the tax authorities or not.** Accordingly, steps need to be taken to get copies of Service tax remittance by the payees before making payment of subsequent instalments/monthly fees etc, But the former M.D failed in this regard.

4. By his above mentioned acts, the Charged Officer has failed to maintain absolute integrity, devotion to duty and exhibited conduct unbecoming of a public servant contravening rule 3(1) and (2) of Andhra Pradesh Civil Services(Conduct) Rules, 1964. The Charged Officer by his above actions rendered himself liable for disciplinary action. Hence the Charge.

In Respect of Charge No.VIII

The audit has noticed that as per the scheme "**Skill Development**" guidelines and agreements entered into with training institutes they were required to provide placement to candidates either in their own companies or in the other companies, the details of institute's wise beneficiaries sponsored and placements given are shown in the table, below.

S. No	Name of the Training Institute	No .of Candidates completed training	No. of Placements	Fee. Paid(Rs.)	Placement to be done.
1	Smart Bridge InfoTech.	275	95	1240000	180
2	Shri Technologies	50	38	3602100	12
3	Zoom Technology	207	26	3105000	181
4	Times Centre Learning Ltd.;	262	56	2197	206
5	New Direction skill Academy	33	10	684000	23
		827	225	1,08,28,750	602

2. From the above table it could be seen that though the (5) Training Partners completed training for 827 candidates, only 225 candidates i.e., 27 percent got placements as at the end of 23.10.2017. Balance 73 percent candidates are yet to received placement.

3. In this Connection Audit Observed that the percentage of placement of trained candidates was very low which shows that the training partners could not provide placements as per the terms and conditions of the agreement with the corporation. As a result, the expenditure to the extent of Rs.78.83 lakh incurred on 602 trained candidates became infructuous.

4. By his above mentioned acts, the charged officer has failed to maintain absolute integrity, devotion to duty and exhibited conduct unbecoming of a public servant contravening rule 3(1) and (2) of Andhra Pradesh Civil Services(Conduct) Rules, 1964. The Charged Officer by his above actions rendered himself liable for disciplinary action. Hence the Charge.

In respect of Charge No.IX

- a. A test check of records relating to the payment vouchers in respect of Kapu Job Mela conducted at M/s Nova College of Engineering and Technology, Ibrahimpatnam from 19.10.2016 to 21.10.2016 revealed that an amount of Rs. 34.50 lakh (including advance of Rs. 15 lakh paid to M/s Mann Decorators through Project Director Krishna District) as against the amount claimed of Rs. 40.14 lakh as per the Director's Committee recommendation. In this connection, it may be mentioned that as per the recommendation of Director's Committees, the Corporation has to collect challan for tax amounting to **Rs.4.30 lakh(Service Tax) after the payment is made by the Mann Decorators. However, the Corporation has not obtained the Service tax paid certificate from the Mann Decorators even after a lapse of 6 months.**

In this connection, audit observed that in the absence of copy of Service Tax paid certificate it is not known whether the Service Tax amount of Rs. 4.50 lakh was actually remitted to the Central Government exchequer or not. **The copy of the Service Tax paid** certificate has to **be obtained and furnished to audit.**

- b. It was further noticed that the Corporation has been paying outsourcing wages allowance bill to **M/s Amaravathi Manpower Solutions towards engagement of manpower** in the Corporation. The Corporation paid an amount of **Rs.6.26 lakh including Service Tax Rs. 76228, Swach Bharat Cess, Rs. 2722 and KrishKalyan Cess Rs. 2726 towards outsourcing wages and allowance bill for the months of November 2016.**

In this connection it may be mentioned that the as payment of tax amounts were not the source of income to the payees, the Corporation should have obtained the copies of the tax paid **certificates from the payee before making payment of next month. Accordingly, the copies of Service Tax paid Certificate could have been obtained and furnished to audit to ascertain whether the payee actually remitted the tax amount to Government exchequer or not.**

2. By his above mentioned acts, the charged officer has failed to maintain absolute integrity, devotion to duty and exhibited conduct unbecoming of a public servant contravening rule 3(1) and (2) of Andhra Pradesh Civil Services(Conduct) Rules, 1964. The Charged Officer by his above actions rendered himself liable for disciplinary action. Hence the Charge.

In respect of Charge No.X

As per the General Financial Rules every authority delegated with the financial powers of procuring goods and services in public interest shall have the responsibility and accountability to bring efficiency, economy, and transparency in matters relating to public procurement and for fair and equitable treatment of suppliers and promotion of competition in public procurement. Further, purchase of goods up to value of Rs. 15000/- only on each occasion can be made without inviting quotation on bids and purchase of goods costing Rs. 15000, Rs, 100,000/- and above on each occasion can be made on the recommendation from the duly constituted local purchase committee consisting of three members of an appropriate level as decided by the Head of the Department. Except in above cases, the Department should procure goods and services by following the standard method of obtaining bids.

2. A test check of bills relating to Kapu Mega Job Mela conducted at Nova College of Engineering and Technology, Ibrahimpatnam from 19.10.2016 **to 21.10.2016 revealed that the Corporation engaged Sri Sai Amrutha Family and Daba Restaurant and D. Sri Hari Contractors for arranging Breakfast, Lunch and Dinner etc, without calling quotations/bids and the Managing Director Amarendra Kumar as against the claim of Rs. 25.57 lakhs.**

3. All these financial transactions were done without proper budget allocation and permission from the Government. Mr.R.Amarendra Kumar (charged officer) has paid Rs.20.60 lakhs to Sri Sai Amrutha Family & Dabha Restaurant and to Sri D.Sri Hari contractor for the Job-Mela at Nova College of Engineering & Technology, Ibrahimpatnam from 19.10.2016 to 21.10.2016 which was pointed out by the Audit team as highly irregular.

4. By his above mentioned acts, the charged officer has failed to maintain absolute integrity, devotion to duty and exhibited conduct unbecoming of a public servant contravening rule 3(1) and (2) of Andhra Pradesh Civil Services(Conduct) Rules, 1964. The Charged Officer by his above actions rendered himself liable for disciplinary action. Hence the Charge.

**B.UDAYA LAKSHMI
PRINCIPAL SECRETARY TO GOVERNMENT**

//ATTESTED//


SECTION OFFICER

ANNEXURE-III

LIST OF DOCUMENTS BY WHICH ARTICLES OF CHARGES FRAMED AGAINST Dr R.AMARENDRA KUMAR, FORMERLY VICE-CHAIRMAN & MANAGING DIRECTOR, ANDHRA PRADESH KAPU WELFARE & DEVELOPMENT CORPORATION ARE PROPOSED TO BE SUSTAINED.

- 01.Audit reports of the Corporation.
- 02.Relevant files of Andhra Pradesh Kapu Welfare & Development Corporation
- 03.Guidelines issued Andhra Pradesh Skill Development Corporation
- 04.Agreements.
- 05.G.O.Ms.No.16, B.C.Welfare(C) Dept, dated:17-05-2016.

**B.UDAYA LAKSHMI
PRINCIPAL SECRETARY TO GOVERNMENT**

//ATTESTED//


SECTION OFFICER

ANNEXURE-IV

**LIST OF WITNESSES BY WHOM THE ARTICLES OF CHARGES FRAMED AGAINST
Dr. R.AMARENDRA KUMAR, FORMERLY VICE-CHAIRMAN & MANAGING
DIRECTOR, ANDHRA PRADESH KAPU WELFARE & DEVELOPMENT
CORPORATION ARE PROPOSED TO BE SUSTAINED.**

Nil

**B. UDAYA LAKSHMI
PRINCIPAL SECRETARY TO GOVERNMENT**

//ATTESTED//

M. Kaus Ray
SECTION OFFICER